

# Exhibit D

# Bloomberg

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## BMW Beats Mercedes to Take Lexus's U.S. Top-Selling Luxury Title

By Tim Higgins - Jan 5, 2012

Bayerische Motoren Werke AG (BMW)'s BMW brand outsold Daimler AG (DAI)'s Mercedes-Benz last month to cement its victory as the top luxury brand in the U.S. for 2011.

BMW's sales rose 15 percent to 26,834 in December compared with a year earlier, the Munich-based automaker said today in a statement. With total 2011 sales at 247,907, BMW outsold Mercedes by 2,715 vehicles.

"BMW Group sales momentum has been increasing all year and this new burst of consumer confidence filled our dealer showrooms putting" BMW "over the top," Ludwig Willisch, chief executive officer of BMW of North America, said today in a statement.

The battle between BMW and Mercedes to replace Toyota Motor Corp. (7203)'s Lexus as the top luxury brand in the U.S. after 11 years was helped by a lack of the Japanese automaker's production following the March earthquake and tsunami in Japan.

The competition was so intense between BMW and Mercedes that each side refused to release their sales results yesterday until the other went first, two people familiar with the situation said. Other automakers announced December and full- year U.S. sales yesterday.

Researcher Autodata Corp. released estimates yesterday for the manufacturers using "credible industry sources," Autodata said in an e-mail. Autodata's results showed BMW in the lead.

Ultimately, Mercedes went first, releasing its results on PR Newswire at 8:56 a.m. New York time. BMW followed posting its release on its website about 11 a.m.

Mercedes U.S. deliveries, aided by a refreshed C-Class sedan and redesigned M-Class sport-utility vehicle, rose 28 percent to 25,701 vehicles in December, Mercedes said in its statement. Deliveries of Mercedes vehicles for the year rose 13 percent to 245,192 in the U.S.

The results exclude Daimler's Mercedes Sprinter and Freightliner vans, and Smart cars and BMW's Mini brand, which aren't luxury vehicles. The 2011 full-year figures also exclude sales of the Maybach brand.

## 'Unusual' Delay

While some automakers in the past have delayed releasing monthly results, "this is unusual," Jesse Toprak, an industry analyst with TrueCar.com, a Santa Monica, California-based website that tracks auto sales, said yesterday in a telephone interview. "I don't really recall this happening from two automakers who are clearly going head-to-head against each other. It's too much of a coincidence."

Lexus sales fell 8 percent to 25,355 last month and 13 percent to 198,552 to end the year, the Toyota City, Japan-based brand said.

Industrywide sales rose 10 percent to 12.8 million, Autodata estimated.

## Tight Race

While BMW had led the sales race going into December, its lead over Mercedes had narrowed to 1,600 after November.

Both automakers increased incentives in November and carried forward customer discounts into December, according to Ivan Drury, an industry analyst with Edmunds.com, a Santa Monica, California-based website that tracks automotive discounting.

Mercedes increased incentive spending in November by 39 percent compared to a year earlier and BMW's incentives rose 25 percent, according to Autodata. Many of those discounts and incentives are on the C-Class and 3-Series, which are the automakers' top sellers.

Rivals have noticed the discounting.

"They've been outspending us -- even with some relatively newer products," Kurt McNeil, Cadillac's vice president of sales, said yesterday in a telephone interview. BMW has offered \$400 to \$600 a car more than the General Motors Co. (GM) brand, he said, and Mercedes's discounts exceeded Cadillac's by more than \$1,000. "They've been bringing it from an incentive standpoint."

Cadillac sales for the year rose 3.7 percent to 152,389, the Detroit-based automaker said. In December, deliveries fell 2.7 percent to 16,259.

Mercedes surged after BMW ended the third quarter leading its German rival by 7,817 vehicles sold in the U.S.

## New Vehicles

Two new products by Mercedes, a refreshed C-Class car and M-Class sport-utility vehicle, arrived in showrooms in September.

C-Class sales, which included a new two-door version of the compact car, rose 88 percent in October

and 113 percent in November compared with the same months a year earlier. The C- Class's direct competitor at BMW, the 3-Series, saw sales declines of 9 percent and 15 percent in October and November, respectively.

A new version of the 3-Series is being introduced next year and Jim O'Donnell, then-head of BMW's U.S. operations, had warned in August that Mercedes could gain ground as BMW wound down the old version.

### Compact Discounts

Both automakers increased incentive spending on their compact offerings in November, according to Autodata.

Mercedes's average incentive spending per C-Class rose to \$4,234 that month from \$3,122 in October. The average incentive spending on that vehicle for the year through November was \$3,516 compared to \$3,237 a year earlier.

BMW's incentive spending on average rose to \$4,289 per 3- Series last month from \$3,367 in October, according to Autodata. For the year through November, spending on that vehicle averaged \$3,167 compared to \$3,370 a year earlier.

Lease deals are important in selling compact luxury cars because many customers shop by monthly payment, Drury of Edmunds said. In November, 65 percent of Mercedes's C-Class buyers were lease customers, as were 60 percent of BMW's 3-Series customers, according to Edmunds data.

"The main one that people think about is what am I paying per month, they kind of forget sometimes that some of these leases require \$4,000, \$5,000 down," Drury said.

BMW advertised last month 3-Series monthly lease payments on its website as low as \$299 for shoppers with good credit. Mercedes has deals as low as \$349 per month for its C-Class, its website said. BMW spent on average of \$5,236 in incentives on 3- Series leases while Mercedes spent \$2,385 on C-Class leases in November, Edmunds said.

### No 'Kitchen Sink'

"We increased our incentive spend but we did not throw the kitchen sink at the month of November," Steve Cannon, then-vice president of marketing for Mercedes in the U.S., said during a Dec. 1 interview. He has since been named chief executive officer of Mercedes's U.S. operations. Incentives are "in-line with what we always do for our year-end event," he said.

In November, Mercedes began offering the ability to pull current customers out of their leases as much as eight months early to get them into new vehicles, such as the C-Class, Bernie Moreno, a Mercedes dealer near Cleveland, said last month in an interview.

“Before they only used to waive three or four payments,” he said of Mercedes. Now he can call up a customer with the new lease offer and, Moreno said, “what happens is that customer who maybe would’ve considered a BMW and Audi, they get the bug to buy a car now but BMW isn’t going to waive their eight Mercedes payments. So, we keep them in a Mercedes.”

## More Competition

This year, BMW and Mercedes will probably see greater competition from Lexus and Volkswagen AG (VOW)’s Audi, Edmunds’s Drury said.

“I don’t think it should be so clear cut,” Drury said of the luxury race this year. “I’m picturing that the sales taken from Lexus and Audi should break up some of the closeness going on.”

Mark Templin, head of U.S. Lexus sales, said yesterday that the brand will grow about 20 percent this year with new products. “We expect to be the fastest growing luxury brand in the industry,” Templin said in a conference call. “We’ll have a huge volume swing especially because of the launch of nine new vehicles. it gives us a big push this year.”

U.S. deliveries of Audi, the premium brand of Wolfsburg, Germany-based Volkswagen, rose 20 percent to 12,655 vehicles last month, the company said in a statement. The brand’s sales for the year rose 16 percent to 117,561 last year, helped by the revised A6 sedan.

## Porsche, Others

Porsche AG, the Stuttgart-based automaker, sold 1,834 vehicles in the U.S. last month, a 29 percent decrease, the company said in a statement yesterday. U.S. sales for the year rose 15 percent to 29,023.

Nissan Motor Co. (7201)’s Infiniti sold 98,461 vehicles last year, 4.8 percent fewer than in 2010, the Yokohama, Japan-based company, said in a statement. Deliveries in December fell 12 percent to 10,990.

Honda Motor Co. (7267), based in Tokyo, said in a statement that sales for its Acura brand fell 15 percent to 13,129 last month. The brand, also hindered by the Japanese disasters, saw U.S. sales fall 7.7 percent for the year to 123,299.

Ford Motor Co. (F) sold 8,403 Lincolns in December, a 4.3 percent increase from a year earlier, according to a statement from the Dearborn, Michigan-based automaker. The brand’s sales finished the year down 0.2 percent to 85,643 U.S. sales.

Land Rover deliveries rose 20 percent to 38,099, while Jaguar sales dropped 8 percent to 12,276, the brands said in an e-mailed statement. They are owned by Mumbai-based Tata Motors Ltd.

BMW’s Willisch in a November interview reiterated that he expected his brand to finish on top in 2011.

“Competition is tough,” he said. “If you’re in the No. 1 position, everyone else would like to be in your place.”

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